

# HB5560



## 99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

HB5560

by Rep. Sheri L Jesiel

### SYNOPSIS AS INTRODUCED:

20 ILCS 2505/2505-400

was 20 ILCS 2505/39b49

Amends the Department of Revenue Law of the Civil Administrative Code of Illinois. Provides that any communication with a taxpayer in connection with the collection of a debt shall notify the taxpayer that he or she may have the right to administrative review of final decisions of the Department under the Administrative Review Law. Effective immediately.

LRB099 19165 HLH 43554 b

A BILL FOR

1 AN ACT concerning revenue.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Department of Revenue Law of the Civil  
5 Administrative Code of Illinois is amended by changing Section  
6 2505-400 as follows:

7 (20 ILCS 2505/2505-400) (was 20 ILCS 2505/39b49)

8 Sec. 2505-400. Contracts for collection assistance.

9 (a) The Department has the power to contract for collection  
10 assistance on a contingent fee basis, with collection fees to  
11 be retained by the collection agency and the net collections to  
12 be paid to the Department. In the case of any liability  
13 referred to a collection agency on or after July 1, 2003, any  
14 fee charged to the State by the collection agency shall be  
15 considered additional State tax of the taxpayer imposed under  
16 the Act under which the tax being collected was imposed, shall  
17 be deemed assessed at the time payment of the tax is made to  
18 the collection agency, and shall be separately stated in any  
19 statement or notice of the liability issued by the collection  
20 agency to the taxpayer. Any communication with a taxpayer by  
21 the Department or a collection agency in connection with the  
22 collection of a debt under this subsection shall notify the  
23 taxpayer that he or she may have the right to administrative

1 review of final decisions of the Department under the  
2 Administrative Review Law.

3 (b) The Department has the power to enter into written  
4 agreements with State's Attorneys for pursuit of civil  
5 liability under subsection (E) of Section 17-1 of the Criminal  
6 Code of 2012 against persons who have issued to the Department  
7 checks or other orders in violation of the provisions of  
8 paragraph (1) of subsection (B) of Section 17-1 of the Criminal  
9 Code of 2012. Of the amount collected, the Department shall  
10 retain the amount owing upon the dishonored check or order  
11 along with the dishonored check fee imposed under the Uniform  
12 Penalty and Interest Act. The balance of damages, fees, and  
13 costs collected under subsection (E) of Section 17-1 of the  
14 Criminal Code of 2012 or under Section 17-1a of that Code shall  
15 be retained by the State's Attorney. The agreement shall not  
16 affect the allocation of fines and costs imposed in any  
17 criminal prosecution.

18 (c) The Department may issue the Secretary of the Treasury  
19 of the United States (or his or her delegate) notice, as  
20 required by Section 6402(e) of the Internal Revenue Code, of  
21 any past due, legally enforceable State income tax obligation  
22 of a taxpayer. The Department must notify the taxpayer that any  
23 fee charged to the State by the Secretary of the Treasury of  
24 the United States (or his or her delegate) under Internal  
25 Revenue Code Section 6402(e) is considered additional State  
26 income tax of the taxpayer with respect to whom the Department

1 issued the notice, and is deemed assessed upon issuance by the  
2 Department of notice to the Secretary of the Treasury of the  
3 United States (or his or her delegate) under Section 6402(e) of  
4 the Internal Revenue Code; a notice of additional State income  
5 tax is not considered a notice of deficiency, and the taxpayer  
6 has no right of protest.

7 (Source: P.A. 96-1551, eff. 7-1-11; 97-1150, eff. 1-25-13.)

8 Section 99. Effective date. This Act takes effect upon  
9 becoming law.